

# Fiscal Services Petty Cash Policy and Procedures

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## **PETTY CASH FUND POLICY**

### **PURPOSE**

The purpose of a Petty Cash Fund Policy is to enable the office of the principal or other administrative officer to have cash on hand to be used for reimbursement of emergency expenses only. Such charges include postage due, mileage, or other unforeseen expenses. Emergency expenses are those that cannot be processed in the usual manner of creating a purchase order. Important: Site or district funds may not be used for items purchased as incentives for staff or parents volunteers.

### **BASIC GUIDELINES**

1. Funds will be available in cash at one or more school sites as follows:
  - a. **\$300.00** for elementary sites
  - b. **\$500.00** for middle and high schools
2. The approving principal or administrative official in whose name the fund is created will be responsible for all petty cash expenditures made.
3. Funds may be used for purchases totaling fifty (\$50.00) dollars or less per transaction. Incremental purchases will not be made for the purpose of circumventing this regulation. *(i.e.: If \$75 in supplies need to be purchased, the purchaser cannot have the store cashier process two receipts...one for \$50 and one for \$25. This cannot be paid through petty cash. A requisition would need to be processed in order to reimburse the purchaser for the \$75.)*
4. Petty cash must not be used for purchasing food of any sort. A receipt that contains food items will not be reimbursed.
5. Reimbursement requests must have an approval signature of the Principal or Supervisor. Each request for reimbursement will be coded and supported by documentation of proof of payment, such as an original receipt or, sales slip, attached to the back of the request form.
6. When petty cash needs to be replenished, the documents and the summary must be forwarded to the business office where the expenditures will be audited and posted to the general ledger. A check will then be issued to replenish the petty cash fund back to the original amount.
7. The amount of petty cash remaining in your envelope plus receipts of disbursement must always equal the original starting amount.
8. Petty Cash Funds will be audited by the business office on a regular basis and are subject to audit during the District's annual audit.
9. Petty Cash Funds must be kept in a safe or secured place at the school or office site.
10. All District employees have a fiduciary responsibility to the District to handle petty cash transactions in accordance with District policies and procedures.
11. A District employee will be strictly liable for any inappropriate charges to the petty cash.